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S. 2657

[Report No. 108-393]

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

IN THE SENATE OF THE UNITED STATES

July 14, 2004

Ms. Collins (for herself, Mr. Akaka, Mr. Lieberman, Mr. Voinovich, and Mr. Santorum) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

October 8, 2004
Reported by Ms. Collins, without amendment

A BILL

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes. 1 Be it enacted by the Senate and House of Representa-

| 2 | tives of the United States of America in Congress assembled |
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| 3 | SECTION 1. SHORT TITLE. |
| 4 | This Act may be cited as the "Federal Employee |
| 5 | Dental and Vision Benefits Enhancement Act of 2004" |
| 6 | SEC. 2. ENHANCED DENTAL BENEFITS FOR FEDERAL EM |
| 7 | PLOYEES. |
| 8 | (a) In General.—Subpart G of part III of title 5 |
| 9 | United States Code, is amended by inserting after chapter |
| 10 | 89 the following: |
| 11 | "CHAPTER 89A—ENHANCED DENTAL |
| 12 | BENEFITS |
| | "Sec. "8951. Definitions. "8952. Availability of dental benefits. "8953. Contracting authority. "8954. Benefits. "8955. Information to individuals eligible to enroll. "8956. Election of coverage. "8957. Coverage of restored survivor or disability annuitants. "8958. Premiums. "8959. Preemption. "8960. Studies, reports, and audits. "8961. Jurisdiction of courts. "8962. Administrative functions. |
| 13 | "§ 8951. Definitions |
| 14 | "In this chapter: |
| 15 | "(1) The term 'employee' means an employee |
| 16 | defined under section 8901(1). |
| 17 | "(2) The terms 'annuitant', 'member of family' |
| 18 | and 'dependent' have the meanings as such terms |
| | |

- 1 are defined under paragraphs (3), (5), and (9), re-2 spectively, of section 8901.
- "(3) The term 'eligible individual' refers to an individual described in paragraph (1) or (2), without regard to whether the individual is enrolled in a health benefits plan under chapter 89.
 - "(4) The term 'Office' means the Office of Personnel Management.
 - "(5) The term 'qualified company' means a company (or consortium of companies) that offers indemnity, preferred provider organization, health maintenance organization, or discount dental programs and if required is licensed to issue applicable coverage in any number of States, taking any subsidiaries of such a company into account (and, in the case of a consortium, considering the member companies and any subsidiaries thereof, collectively).
 - "(6) The term 'employee organization' means an association or other organization of employees which is national in scope, or in which membership is open to all employees of a Government agency who are eligible to enroll in a health benefits plan under chapter 89.
- 24 "(7) The term 'State' includes the District of25 Columbia.

1 "§ 8952. Availability of dental benefits

- 2 "(a) The Office shall establish and administer a pro-
- 3 gram through which an eligible individual may obtain den-
- 4 tal coverage to supplement coverage available through
- 5 chapter 89.
- 6 "(b) The Office shall determine, in the exercise of its
- 7 reasonable discretion, the financial requirements for quali-
- 8 fied companies to participate in the program.
- 9 "(c) Nothing in this chapter shall be construed to
- 10 prohibit the availability of dental benefits provided by
- 11 health benefits plans under chapter 89.

12 "§ 8953. Contracting authority

- 13 "(a)(1) The Office shall contract with a reasonable
- 14 number of qualified companies for a policy or policies of
- 15 benefits described under section 8954 without regard to
- 16 section 5 of title 41 or any other statute requiring com-
- 17 petitive bidding. An employee organization may contract
- 18 with a qualified company for the purpose of participating
- 19 with that qualified company in any contract between the
- 20 Office and that qualified company.
- 21 "(2) The Office shall ensure that each resulting con-
- 22 tract is awarded on the basis of contractor qualifications,
- 23 price, and reasonable competition.
- 24 "(b) Each contract under this section shall contain—

| 1 | "(1) the requirements under section 8902(d), |
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| 2 | (f), and (i) made applicable to contracts under this |
| 3 | section by regulations prescribed by the Office; |
| 4 | "(2) the terms of the enrollment period; and |
| 5 | "(3) such other terms and conditions as may be |
| 6 | mutually agreed to by the Office and the qualified |
| 7 | company involved, consistent with the requirements |
| 8 | of this chapter and regulations prescribed by the Of- |
| 9 | fice. |
| 10 | "(c) Nothing in this chapter shall, in the case of an |
| 11 | individual electing dental supplemental benefit coverage |
| 12 | under this chapter after the expiration of such individual's |
| 13 | first opportunity to enroll, preclude the application of |
| 14 | waiting periods more stringent than those that would have |
| 15 | applied if that opportunity had not yet expired. |
| 16 | "(d)(1) Each contract under this chapter shall re- |
| 17 | quire the qualified company to agree— |
| 18 | "(A) to provide payments or benefits to an eli- |
| 19 | gible individual if such individual is entitled thereto |
| 20 | under the terms of the contract; and |
| 21 | "(B) with respect to disputes regarding claims |
| 22 | for payments or benefits under the terms of the con- |
| 23 | tract— |

- 1 "(i) to establish internal procedures de-2 signed to expeditiously resolve such disputes; 3 and
- 4 "(ii) to establish, for disputes not resolved 5 through procedures under clause (i), procedures 6 for 1 or more alternative means of dispute reso-7 lution involving independent third-party review 8 under appropriate circumstances by entities 9 mutually acceptable to the Office and the quali-10 fied company.
- "(2) A determination by a qualified company as to whether or not a particular individual is eligible to obtain coverage under this chapter shall be subject to review only to the extent and in the manner provided in the applicable contract.
- "(3) For purposes of applying the Contract Disputes
 Act of 1978 to disputes arising under this chapter between
 a qualified company and the Office—
- "(A) the agency board having jurisdiction to decide an appeal relative to such a dispute shall be such board of contract appeals as the Director of the Office of Personnel Management shall specify in writing (after appropriate arrangements, as described in section 8(c) of such Act); and

- 1 "(B) the district courts of the United States
- 2 shall have original jurisdiction, concurrent with the
- 3 United States Court of Federal Claims, of any ac-
- 4 tion described in section 10(a)(1) of such Act rel-
- 5 ative to such a dispute.
- 6 "(e) Nothing in this section shall be considered to
- 7 grant authority for the Office or third-party reviewer to
- 8 change the terms of any contract under this chapter.
- 9 "(f) Contracts under this chapter shall be for a uni-
- 10 form term of 7 years and may not be renewed automati-
- 11 cally.

12 **"§ 8954. Benefits**

- 13 "(a) The Office may prescribe reasonable minimum
- 14 standards for enhanced dental benefits plans offered
- 15 under this chapter and for qualified companies offering
- 16 the plans.
- 17 "(b) Each contract may include more than 1 level of
- 18 benefits that shall be made available to all eligible individ-
- 19 uals.
- 20 "(c) The benefits to be provided under enhanced den-
- 21 tal benefits plans under this chapter may be of the fol-
- 22 lowing types:
- 23 "(1) Diagnostic.
- 24 "(2) Preventive.
- 25 "(3) Emergency care.

- 1 "(4) Restorative.
- 2 "(5) Oral and maxillofacial surgery.
- 3 "(6) Endodontics.
- 4 "(7) Periodontics.
- 5 "(8) Prosthodontics.
- 6 "(9) Orthodontics.
- 7 "(d) A contract approved under this chapter shall re-
- 8 quire the qualified company to cover the geographic serv-
- 9 ice delivery specified by the Office. The Office shall require
- 10 qualified companies to include dentally underserved areas
- 11 in their service delivery areas.
- 12 "(e) If an individual has dental coverage under a
- 13 health benefits plan under chapter 89 and also has cov-
- 14 erage under a plan under this chapter, the health benefits
- 15 plan under chapter 89 shall be the first payor of any ben-
- 16 efit payments.

17 "§ 8955. Information to individuals eligible to enroll

- 18 "(a) The qualified companies at the direction and
- 19 with the approval of the Office, shall make available to
- 20 each individual eligible to enroll in a dental benefits plan
- 21 information on services and benefits (including maxi-
- 22 mums, limitations, and exclusions), that the Office con-
- 23 siders necessary to enable the individual to make an in-
- 24 formed decision about electing coverage.

- 1 "(b) The Office shall make available to each indi-
- 2 vidual eligible to enroll in a dental benefits plan, informa-
- 3 tion on services and benefits provided by qualified compa-
- 4 nies participating under chapter 89.

5 "§ 8956. Election of coverage

- 6 "(a) An eligible individual may enroll in a dental ben-
- 7 efits plan for self-only, self plus one, or for self and family.
- 8 If an eligible individual has a spouse who is also eligible
- 9 to enroll, either spouse, but not both, may enroll for self
- 10 plus one or self and family. An individual may not be en-
- 11 rolled both as an employee, annuitant, or other individual
- 12 eligible to enroll and as a member of the family.
- 13 "(b) The Office shall prescribe regulations under
- 14 which—
- 15 "(1) an eligible individual may enroll in a den-
- tal benefits plan; and
- 17 "(2) an enrolled individual may change the self-
- only, self plus one, or self and family coverage of
- that individual.
- (c)(1) Regulations under subsection (b) shall permit
- 21 an eligible individual to cancel or transfer the enrollment
- 22 of that individual to another dental benefits plan—
- 23 "(A) before the start of any contract term in
- 24 which there is a change in rates charged or benefits

- provided, in which a new plan is offered, or in which an existing plan is terminated; or
- 3 "(B) during other times and under other cir-
- 4 cumstances specified by the Office.
- 5 "(2) A transfer under paragraph (1) shall be subject
- 6 to waiting periods provided under a new plan.

7 "§ 8957. Coverage of restored survivor or disability

- 8 annuitants
- 9 "A surviving spouse, disability annuitant, or sur-
- 10 viving child whose annuity is terminated and is later re-
- 11 stored, may continue enrollment in a dental benefits plan
- 12 subject to the terms and conditions prescribed in regula-
- 13 tions issued by the Office.

14 **"§ 8958. Premiums**

- 15 "(a) Each eligible individual obtaining supplemental
- 16 dental coverage under this chapter shall be responsible for
- 17 100 percent of the premiums for such coverage.
- 18 "(b) The Office shall prescribe regulations specifying
- 19 the terms and conditions under which individuals are re-
- 20 quired to pay the premiums for enrollment.
- 21 "(c) The amount necessary to pay the premiums for
- 22 enrollment may—
- 23 "(1) in the case of an employee, be withheld
- from the pay of such an employee; or

- 1 "(2) in the case of an annuitant, be withheld
- 2 from the annuity of such an annuitant.
- 3 "(d) All amounts withheld under this section shall be
- 4 paid directly to the qualified company.
- 5 "(e) Each participating qualified company shall
- 6 maintain accounting records that contain such informa-
- 7 tion and reports as the Office may require.
- 8 "(f)(1) The Employee Health Benefits Fund is avail-
- 9 able, without fiscal year limitation, for reasonable ex-
- 10 penses incurred by the Office in administering this chapter
- 11 before the first day of the first contract period, including
- 12 reasonable implementation costs.
- 13 "(2)(A) There is established in the Employees Health
- 14 Benefits Fund a Dental Benefits Administrative Account,
- 15 which shall be available to the Office, without fiscal year
- 16 limitation, to defray reasonable expenses incurred by the
- 17 Office in administering this chapter after the start of the
- 18 first contract year.
- 19 "(B) A contract under this chapter shall include ap-
- 20 propriate provisions under which the qualified company in-
- 21 volved shall, during each year, make such periodic con-
- 22 tributions to the Dental Benefits Administrative Account
- 23 as necessary to ensure that the reasonable anticipated ex-
- 24 penses of the Office in administering this chapter during
- 25 such year are defrayed.

1 **"§ 8959. Preemption**

- 2 "The terms of any contract that relate to the nature,
- 3 provision, or extent of coverage or benefits (including pay-
- 4 ments with respect to benefits) shall supersede and pre-
- 5 empt any State or local law, or any regulation issued
- 6 thereunder, which relates to dental benefits, insurance,
- 7 plans, or contracts.

8 "§ 8960. Studies, reports, and audits

- 9 "(a) Each contract shall contain provisions requiring
- 10 the qualified company to—
- "(1) furnish such reasonable reports as the Of-
- fice determines to be necessary to enable it to carry
- out its functions under this chapter; and
- 14 "(2) permit the Office and representatives of
- the General Accounting Office to examine such
- records of the qualified company as may be nec-
- essary to carry out the purposes of this chapter.
- 18 "(b) Each Federal agency shall keep such records,
- 19 make such certifications, and furnish the Office, the quali-
- 20 fied company, or both, with such information and reports
- 21 as the Office may require.
- 22 "(c) The Office shall conduct periodic reviews of
- 23 plans under this chapter, including a comparison of the
- 24 dental benefits available under chapter 89, to ensure the
- 25 competitiveness of plans under this chapter. The Office

- 1 shall cooperate with the General Accounting Office to pro-
- 2 vide periodic evaluations of the program.

3 "§ 8961. Jurisdiction of courts

- 4 "The district courts of the United States have origi-
- 5 nal jurisdiction, concurrent with the United States Court
- 6 of Federal Claims, of a civil action or claim against the
- 7 United States under this chapter after such administrative
- 8 remedies as required under section 8953(d) have been ex-
- 9 hausted, but only to the extent judicial review is not pre-
- 10 cluded by any dispute resolution or other remedy under
- 11 this chapter.

12 "§ 8962. Administrative functions

- 13 "(a) The Office shall prescribe regulations to carry
- 14 out this chapter. The regulations may exclude an employee
- 15 on the basis of the nature and type of employment or con-
- 16 ditions pertaining to it.
- 17 "(b) The Office shall, as appropriate, provide for co-
- 18 ordinated enrollment, promotion, and education efforts as
- 19 appropriate in consultation with each qualified company.
- 20 The information under this subsection shall include infor-
- 21 mation relating to the dental benefits available under
- 22 chapter 89, including the advantages and disadvantages
- 23 of obtaining additional coverage under this chapter.".

SEC. 3. ENHANCED VISION BENEFITS FOR FEDERAL EM-2 PLOYEES. 3 Subpart G of part III of title 5, United States Code, is amended by inserting after chapter 89A (as added by 5 section 2 of this Act) the following: "CHAPTER 89B—ENHANCED VISION 6 7 BENEFITS "Sec. "8981. Definitions. "8982. Availability of vision benefits. "8983. Contracting authority. "8984. Benefits. "8985. Information to individuals eligible to enroll. "8986. Election of coverage. "8987. Coverage of restored survivor or disability annuitants. "8988. Premiums. "8989. Preemption. "8990. Studies, reports, and audits. "8991. Jurisdiction of courts. "8992. Administrative functions. 8 "§ 8981. Definitions 9 "In this chapter: "(1) The term 'employee' means an employee 10 11 defined under section 8901(1). 12 "(2) The terms 'annuitant', 'member of family', 13 and 'dependent' have the meanings as such terms 14 are defined under paragraphs (3), (5), and (9), respectively, of section 8901. 15 16 "(3) The term 'eligible individual' refers to an 17 individual described in paragraph (1) or (2), without 18 regard to whether the individual is enrolled in a 19 health benefits plan under chapter 89.

- 1 "(4) The term 'Office' means the Office of Per-2 sonnel Management.
 - "(5) The term 'qualified company' means a company (or consortium of companies) that offers indemnity, preferred provider organization, health maintenance organization, or discount vision programs and if required is licensed to issue applicable coverage in any number of States, taking any subsidiaries of such a company into account (and, in the case of a consortium, considering the member companies and any subsidiaries thereof, collectively).
 - "(6) The term 'employee organization' means an association or other organization of employees which is national in scope, or in which membership is open to all employees of a Government agency who are eligible to enroll in a health benefits plan under chapter 89.
- 18 "(7) The term 'State' includes the District of Columbia.

20 "§ 8982. Availability of vision benefits

"(a) The Office shall establish and administer a program through which an eligible individual may obtain vision coverage to supplement coverage available through chapter 89.

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- "(b) The Office shall determine, in the exercise of its 1 reasonable discretion, the financial requirements for quali-3 fied companies to participate in the program. 4 "(c) Nothing in this chapter shall be construed to prohibit the availability of vision benefits provided by health benefits plans under chapter 89. 7 "§ 8983. Contracting authority "(a)(1) The Office shall contract with a reasonable 8 number of qualified companies for a policy or policies of 10 benefits described under section 8984 without regard to section 5 of title 41 or any other statute requiring com-11 12 petitive bidding. An employee organization may contract with a qualified company for the purpose of participating with that qualified company in any contract between the 14 15 Office and that qualified company. 16 "(2) The Office shall ensure that each resulting contract is awarded on the basis of contractor qualifications, price, and reasonable competition. 18 19 "(b) Each contract under this section shall contain— "(1) the requirements under section 8902 (d), 20 21 (f), and (i) made applicable to contracts under this 22 section by regulations prescribed by the Office;
- 23 "(2) the terms of the enrollment period; and
- 24 "(3) such other terms and conditions as may be 25 mutually agreed to by the Office and the qualified

| 1 | company involved, consistent with the requirements |
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| 2 | of this chapter and regulations prescribed by the Of- |
| 3 | fice. |
| 4 | "(c) Nothing in this chapter shall, in the case of an |
| 5 | individual electing vision supplemental benefit coverage |
| 6 | under this chapter after the expiration of such individual's |
| 7 | first opportunity to enroll, preclude the application of |
| 8 | waiting periods more stringent than those that would have |
| 9 | applied if that opportunity had not yet expired. |
| 10 | "(d)(1) Each contract under this chapter shall re- |
| 11 | quire the qualified company to agree— |
| 12 | "(A) to provide payments or benefits to an eli- |
| 13 | gible individual if such individual is entitled thereto |
| 14 | under the terms of the contract; and |
| 15 | "(B) with respect to disputes regarding claims |
| 16 | for payments or benefits under the terms of the con- |
| 17 | tract— |
| 18 | "(i) to establish internal procedures de- |
| 19 | signed to expeditiously resolve such disputes; |
| 20 | and |
| 21 | "(ii) to establish, for disputes not resolved |
| 22 | through procedures under clause (i), procedures |
| 23 | for 1 or more alternative means of dispute reso- |
| 24 | lution involving independent third-party review |
| 25 | under appropriate circumstances by entities |

- 1 mutually acceptable to the Office and the quali-2 fied company. 3 "(2) A determination by a qualified company as to
- 4 whether or not a particular individual is eligible to obtain
- 5 coverage under this chapter shall be subject to review only
- 6 to the extent and in the manner provided in the applicable
- 7 contract.
- 8 "(3) For purposes of applying the Contract Disputes
- 9 Act of 1978 to dispute arising under this chapter between
- 10 a qualified company and the Office—
- 11 "(A) the agency board having jurisdiction to de-
- cide an appeal relative to such a dispute shall be
- such board of contract appeals as the Director of the
- 14 Office of Personnel Management shall specify in
- 15 writing (after appropriate arrangements, as de-
- scribed in section 8(c) of such Act); and
- 17 "(B) the district courts of the United States
- shall have original jurisdiction, concurrent with the
- 19 United States Court of Federal Claims, of any ac-
- tion described in section 10(a)(1) of such Act rel-
- ative to such a dispute.
- 22 "(e) Nothing in this section shall be considered to
- 23 grant authority for the Office or third-party reviewer to
- 24 change the terms of any contract under this chapter.

- 1 "(f) Contracts under this chapter shall be for a uni-
- 2 form term of 7 years and may not be renewed automati-
- 3 cally.

4 "§ 8984. Benefits

- 5 "(a) The Office may prescribe reasonable minimum
- 6 standards for enhanced vision benefits plans offered under
- 7 this chapter and for qualified companies offering the
- 8 plans.
- 9 "(b) Each contract may include more than 1 level of
- 10 benefits that shall be made available to all eligible individ-
- 11 uals.
- 12 "(c) The benefits to be provided under enhanced vi-
- 13 sion benefits plans under this chapter may be of the fol-
- 14 lowing types:
- 15 "(1) Diagnostic (to include refractive services).
- 16 "(2) Preventive.
- 17 "(3) Eyewear.
- 18 "(d) A contract approved under this chapter shall re-
- 19 quire the qualified company to cover the geographic serv-
- 20 ice delivery specified by the Office. The Office shall require
- 21 qualified companies to include visually underserved areas
- 22 in their service delivery areas.
- 23 "(e) If an individual has vision coverage under a
- 24 health benefits plan under chapter 89 and also has cov-
- 25 erage under a plan under this chapter, the health benefits

- 1 plan under chapter 89 shall be the first payor of any ben-
- 2 efit payments.

3 "§ 8985. Information to individuals eligible to enroll

- 4 "(a) The qualified companies at the direction and
- 5 with the approval of the Office, shall make available to
- 6 each individual eligible to enroll in a vision benefits plan
- 7 information on services and benefits (including maxi-
- 8 mums, limitations, and exclusions), that the Office con-
- 9 siders necessary to enable the individual to make an in-
- 10 formed decision about electing coverage.
- 11 "(b) The Office shall make available to each indi-
- 12 vidual eligible to enroll in a vision benefits plan, informa-
- 13 tion on services and benefits provided by qualified compa-
- 14 nies participating under chapter 89.

15 "§ 8986. Election of coverage

- 16 "(a) An eligible individual may enroll in a vision bene-
- 17 fits plan for self-only, self plus one, or for self and family.
- 18 If an eligible individual has a spouse who is also eligible
- 19 to enroll, either spouse, but not both, may enroll for self
- 20 plus one or self and family. An individual may not be en-
- 21 rolled both as an employee, annuitant, or other individual
- 22 eligible to enroll and as a member of the family.
- 23 "(b) The Office shall prescribe regulations under
- 24 which—

| 1 | "(1) an eligible individual may enroll in a vision |
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| 2 | benefits plan; and |
| 3 | "(2) an enrolled individual may change the self- |
| 4 | only, self plus one, or self and family coverage of |
| 5 | that individual. |
| 6 | (c)(1) Regulations under subsection (b) shall permit |
| 7 | an eligible individual to cancel or transfer the enrollment |
| 8 | of that individual to another vision benefits plan— |
| 9 | "(A) before the start of any contract term in |
| 10 | which there is a change in rates charged or benefits |
| 11 | provided, in which a new plan is offered, or in which |
| 12 | an existing plan is terminated; or |
| 13 | "(B) during other times and under other cir- |
| 14 | cumstances specified by the Office. |
| 15 | "(2) A transfer under paragraph (1) shall be subject |
| 16 | to waiting periods provided under a new plan. |
| 17 | "§ 8987. Coverage of restored survivor or disability |
| 18 | annuitants |
| 19 | "A surviving spouse, disability annuitant, or sur- |
| 20 | viving child whose annuity is terminated and is later re- |
| 21 | stored, may continue enrollment in a vision benefits plan |
| 22 | subject to the terms and conditions prescribed in regula- |
| 23 | tions issued by the Office. |

1 "§ 8988. Premiums

- 2 "(a) Each eligible individual obtaining supplemental
- 3 vision coverage under this chapter shall be responsible for
- 4 100 percent of the premiums for such coverage.
- 5 "(b) The Office shall prescribe regulations specifying
- 6 the terms and conditions under which individuals are re-
- 7 quired to pay the premiums for enrollment.
- 8 "(c) The amount necessary to pay the premiums for
- 9 enrollment may—
- "(1) in the case of an employee, be withheld
- from the pay of such an employee; or
- 12 "(2) in the case of an annuitant, be withheld
- from the annuity of such an annuitant.
- 14 "(d) All amounts withheld under this section shall be
- 15 paid directly to the qualified company.
- 16 "(e) Each participating qualified company shall
- 17 maintain accounting records that contain such informa-
- 18 tion and reports as the Office may require.
- 19 ``(f)(1) The Employee Health Benefits Fund is avail-
- 20 able, without fiscal year limitation, for reasonable ex-
- 21 penses incurred by the Office in administering this chapter
- 22 before the first day of the first contract period, including
- 23 reasonable implementation costs.
- 24 "(2)(A) There is established in the Employees Health
- 25 Benefits Fund a Vision Benefits Administrative Account,
- 26 which shall be available to the Office, without fiscal year

- 1 limitation, to defray reasonable expenses incurred by the
- 2 Office in administering this chapter after the start of the
- 3 first contract year.
- 4 "(B) A contract under this chapter shall include ap-
- 5 propriate provisions under which the qualified company in-
- 6 volved shall, during each year, make such periodic con-
- 7 tributions to the Vision Benefits Administrative Account
- 8 as necessary to ensure that the reasonable anticipated ex-
- 9 penses of the Office in administering this chapter during
- 10 such year are defrayed.

11 **"§ 8989. Preemption**

- 12 "The terms of any contract that relate to the nature,
- 13 provision, or extent of coverage or benefits (including pay-
- 14 ments with respect to benefits) shall supersede and pre-
- 15 empt any State or local law, or any regulation issued
- 16 thereunder, which relates to vision benefits, insurance,
- 17 plans, or contracts.

18 "§ 8990. Studies, reports, and audits

- 19 "(a) Each contract shall contain provisions requiring
- 20 the qualified company to—
- 21 "(1) furnish such reasonable reports as the Of-
- fice determines to be necessary to enable it to carry
- out its functions under this chapter; and
- 24 "(2) permit the Office and representatives of
- 25 the General Accounting Office to examine such

- 1 records of the qualified company as may be nec-
- 2 essary to carry out the purposes of this chapter.
- 3 "(b) Each Federal agency shall keep such records,
- 4 make such certifications, and furnish the Office, the quali-
- 5 fied company, or both, with such information and reports
- 6 as the Office may require.
- 7 "(c) The Office shall conduct periodic reviews of
- 8 plans under this chapter, including a comparison of the
- 9 vision benefits available under chapter 89, to ensure the
- 10 competitiveness of plans under this chapter. The Office
- 11 shall cooperate with the General Accounting Office to pro-
- 12 vide periodic evaluations of the program.

13 "§ 8991. Jurisdiction of courts

- 14 "The district courts of the United States have origi-
- 15 nal jurisdiction, concurrent with the United States Court
- 16 of Federal Claims, of a civil action or claim against the
- 17 United States under this chapter after such administrative
- 18 remedies as required under section 8983(d) have been ex-
- 19 hausted, but only to the extent judicial review is not pre-
- 20 cluded by any dispute resolution or other remedy under
- 21 this chapter.

22 "§ 8992. Administrative functions

- 23 "(a) The Office shall prescribe regulations to carry
- 24 out this chapter. The regulations may exclude an employee

| 1 | on the basis of the nature and type of employment or con- |
|----------------------------|---|
| 2 | ditions pertaining to it. |
| 3 | "(b) The Office shall, as appropriate, provide for co- |
| 4 | ordinated enrollment, promotion, and education efforts as |
| 5 | appropriate in consultation with each qualified company. |
| 6 | The information under this subsection shall include infor- |
| 7 | mation relating to the vision benefits available under chap- |
| 8 | ter 89, including the advantages and disadvantages of ob- |
| 9 | taining additional coverage under this chapter.". |
| 10 | SEC. 4. TECHNICAL AND CONFORMING AMENDMENT. |
| 11 | The table of chapters for part III of title 5, United |
| 12 | States Code, is amended by inserting after the item relat- |
| 13 | ing to chapter 89 the following: |
| | "89A. Enhanced Dental Benefits8951"89B. Enhanced Vision Benefits8981". |
| 14 | SEC. 5. APPLICATION TO POSTAL SERVICE EMPLOYEES. |
| | SEC. 5. AFFLICATION TO FOSTAL SERVICE EMFLOTEES. |
| 15 | Section 1005(f) of title 39, United States Code, is |
| 15 16 | |
| | Section 1005(f) of title 39, United States Code, is |
| 16 | Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking "chapters 87 |
| 16 17 | Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking "chapters 87 and 89" and inserting "chapters 87, 89, 89A, and 89B". |
| 16 17 18 | Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking "chapters 87 and 89" and inserting "chapters 87, 89, 89A, and 89B". SEC. 6. SENSE OF CONGRESS. |
| 16 17 18 19 | Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking "chapters 87 and 89" and inserting "chapters 87, 89, 89A, and 89B". SEC. 6. SENSE OF CONGRESS. (a) FINDINGS.—Congress finds that— |
| 16 17 18 19 20 | Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking "chapters 87 and 89" and inserting "chapters 87, 89, 89A, and 89B". SEC. 6. SENSE OF CONGRESS. (a) FINDINGS.—Congress finds that— (1) oral and vision health and general health |

- 1 (2) Federal employees and their families de-2 serve and desire additional coverage options and 3 place value on maintaining good oral and vision 4 health; and
- (3) it is in the interest of the Federal Government to remain competitive in attracting and retaining highly skilled employees and taking reasonable steps to ensure the health and well-being of its employees.
- 10 (b) Sense of Congress.—It is the sense of Con-11 gress that health insurance benefits available to Federal 12 employees should be sufficient to promote the health and 13 productivity of all Federal workers and to support the recruitment and retention of a highly qualified workforce. 14 15 To help achieve these goals, Congress should evaluate the supplemental plans established under the Federal Em-16 ployee Dental and Vision Benefits Enhancement Act of 17 2004 to determine the options for and feasibility of providing an employer contribution. 19
- 20 SEC. 7. REQUIREMENT TO STUDY HEALTH BENEFITS COV-
- 21 ERAGE FOR DEPENDENT CHILDREN WHO
- 22 ARE FULL-TIME STUDENTS.
- Not later than 6 months after the date of enactment
- 24 of this Act, the Office of Personnel Management shall sub-
- 25 mit to Congress a report describing and evaluating options

- 1 whereby benefits under chapter 89 of title 5, United
- 2 States Code, could be made available to an unmarried de-
- 3 pendent child under 25 years of age who is enrolled as
- 4 a full-time student at an institution of higher education
- 5 as defined under section 101 of the Higher Education Act
- 6 of 1965 (20 U.S.C. 1001).

7 SEC. 8. EFFECTIVE DATE.

- 8 The amendments made by this Act shall take effect
- 9 on the date of enactment of this Act and shall apply to
- 10 contracts that take effect with respect to the calendar year
- 11 2006.

Calendar No. 783

108TH CONGRESS S. 2657

[Report No. 108-393]

A BILL

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

OCTOBER 8, 2004

Reported without amendment